

Franchise Tax Board**SUMMARY ANALYSIS OF AMENDED BILL**

Author: Nakano Analyst: Kristina E. North Bill Number: AB 1859
Related Bills: See Prior Analysis Telephone: 845-6978 Amended Date: April 12, 2004
Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: Limited Liability Companies/Certificate of Cancellation

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended _____.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended _____.

FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO _____.

☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED FEBRUARY 2, 2004, STILL APPLIES.

☒ OTHER - See comments below.

SUMMARY

This bill would allow certain limited liability companies (LLCs) to cancel their existence in California without obtaining a tax clearance certificate.

SUMMARY OF AMENDMENTS

The April 12, 2004, amendments would exempt domestic LLCs from paying the annual tax if the LLC meets the other previous requirements of the bill as discussed in the department's analysis of the bill as introduced February 2, 2004. This amendment resolved the department's policy consideration discussed in the department's prior analysis.

The April 12, 2004, amendments also would make technical changes that do not impact the policies or procedures of the department or state income tax revenue. The remainder of the department's prior analysis still applies.

POSITION

Pending.

LEGISLATIVE STAFF CONTACT

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Board Position:

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<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input checked="" type="checkbox"/> PENDING

Legislative Director

Date

Brain Putler

4/30/04